



Financial Assistance Award

DENALI COMMISSION

510 "L" Street, Suite 410
Anchorage, Alaska 99501
(907) 271-3414

Project Number
0015-DC-2000-E3

Accounting Code
95X1200 95670000

Recipient Name
Alaska Growth Capital

Recipient Address

2121 Abbott Road, Suite 101

Anchorage, AK 99507

Denali Commission Share of Cost
\$ 824,000.00

Recipient Share of Cost
\$ 7,000,000(ASTF,Treasury,ASRC)

Total Estimated Cost
\$ 7,824,000.00

Award Performance Period
FROM October 25, 2000 to October 30, 2005

Authority
112 Stat 1854

Project Title
Alaska Growth Capital Loan Program

This Financial Assistance Award approved by the Federal Co-Chair of the Denali Commission is issued in triplicate and constitutes and obligation of federal funding. By signing the three documents, the Recipient agrees to comply with the Award provisions indicated below and attached. Upon acceptance by the Recipient, two signed Award documents shall be returned to the Federal Co-Chair of the Denali Commission and the third document shall be retained by the Recipient. If not signed and returned without modification by the Recipient within 30 days of receipt, the Federal Co-Chair may unilaterally terminate this Award.

- ☐ EDA Standard Terms and Conditions Public Works and Implementations Construction Components, dated 3/99
- ☒ Special Award Conditions and Attachments
- ☒ Line Item Budget
- ☐ 15 CFR 24, Uniform Admin Requirements for Grants/Cooperative Agreements to State and Local Governments
- ☐ OMB Circular A-87, Cost Principles for State and Local Governments and Indian Tribal Governments
- ☐ OMB Circular A-133, Audits of States, Local Governments and Indian Tribal Governments
- ☒ 15 CFR, Part 14, Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, Other Nonprofit, and Commercial Organizations
- ☐ OMB Circular A-122, Cost Principles for Nonprofit Organizations
- ☐ OMB Circular A-21, Cost Principles for Educational Institutions
- ☐ EDA Standard Terms and Conditions Capacity Building Programs
- ☐ Department of Commerce Financial Assistance Standard Terms and Conditions, dated 10/98
- ☒ State of Alaska Statute AS 10.13, Alaska BIDCO Act
- ☐
- ☐

Signature of Denali Commission

Typed Name and Title

Date

Jeffrey Staser, Federal Co-Chair

10-16-00

Signature of Authorized Recipient Official

Typed Name and Title

Date

David Hoffman, President
Alaska Growth Capital

10-16-00

Award Conditions to the Financial Assistance Award
Project No. 0015-DC-2000-E3 – *Alaska Growth Capital Loan Program*
Alaska Growth Capital

1. The scope of work for this financial assistance award includes:
 - Provides financial assistance with performance measures for a Loan Program at Alaska Growth Capital

. Total Commission funding for *Alaska Growth Capital* through this Agreement is \$824,000; total funding (including from other sources) is \$7,824,000. Commission funding is intended for use for the scope of work specified above only.
2. The Project Officer for the *Alaska Growth Capital* is David Hoffman, and for the Denali Commission, Al Ewing. Either party may change project officer designation with written notification to the other party.
3. The *Alaska Growth Capital* shall submit written progress reports to the Commission Project Officer as follows:
 - An annual quantitative report on performance against all accountability measures due February 28 of each year. This report will be in the format of the CDFI (Community Development Financial Institution) annual report,
 - An annual narrative report providing brief descriptions of each of the financings and consulting engagements with businesses in “distressed” communities as defined by the Denali Commission. This report will include an accounting of all jobs created or added in a community as a result ventures financed by Denali Commission funding through *Alaska Growth Capital*. This report is also due on February 28 of each year.
 - An audited financial statement is due April 30 of each year.

These reports shall be sent to:

Denali Commission
510 “L” Street, Suite 410
Anchorage, AK 99501.
Fax: 907-271-1415

The Commission reserves the right, at a future date, to direct the *Alaska Growth Capital*, to provide the progress reports in electronic format for posting on the Commission web page.

4. To receive funding under this agreement, the *Alaska Growth Capital* must submit a "Request for Advance or Reimbursement", **Standard Form-270**, to the Commission Project Officer.
5. The Denali Commission will review reports from each of the reporting periods identified on the attached accountability measures table. If *Alaska Growth Capital* meets or exceeds the *outstanding* level in all categories for a given performance year, *Alaska Growth Capital* will not be required to pay back an amount equal to one-fifth of the total Financial Assistance Award under any future circumstances.
6. In the event *Alaska Growth Capital* reports less than the *minimally acceptable* level for any category during any time period, the Denali Commission project officer will provide *Alaska Growth Capital* with written notification of "unacceptable performance." *Alaska Growth Capital* will be placed on performance probation and have six months to meet performance requirements for the previous year. During the probationary period, performance measures can be counted towards bringing the prior year shortfall to an acceptable level (*minimally acceptable*). Performance measures cannot be double counted in any given reporting period. If performance for the preceding year is not improved to at least the *minimally acceptable* level by the end of the probationary period, one-fifth of the amount of the Financial Assistance Award will be required to be returned to the Denali Commission within 60 days of the end of the probationary period.
7. At the end of the five year performance period (December 31, 2005) Alaska Growth Capital will be allowed to retain a percentage of the total Financial Assistance Award equal to 20% multiplied by the number of years Alaska Growth Capital met or exceeded the *satisfactory* level for all categories. Any balance will be returned to the Denali Commission within 60 days of the end performance period.
8. No portion of this award may be used for lobbying or propaganda purposes as prohibited by **18 U.S.C. Section 1913 or Section 607(a) of Public Law 96-74**.

Alaska Growth Capital

ACCOUNTABILITY MEASURES

Measure 1: Total annual financing disbursements to businesses in communities defined as "distressed" by the Denali Commission. The list of "distressed" communities will include at a minimum the communities listed in the Commission's issue paper of September 1, 2000.

Minimum Level: Annual Evaluation for the Year Ending:

	12/31/2001	12/31/2002	12/31/2003	12/31/2004	12/31/2005	Total
<i>Outstanding</i>	425,000	450,000	475,000	500,000	525,000	2,375,000
<i>Fully Satisfactory</i>	275,000	300,000	325,000	350,000	375,000	1,625,000
<i>Minimally Acceptable</i>	225,000	250,000	275,000	300,000	325,000	1,375,000

Measure 2: Total annual financing disbursements to **Alaskan - owned** businesses in communities defined as "distressed" by the Denali Commission.

Minimum Level: Annual Evaluation for the Year Ending:

	12/31/2001	12/31/2002	12/31/2003	12/31/2004	12/31/2005	Total
<i>Outstanding</i>	375,000	400,000	425,000	450,000	475,000	2,125,000
<i>Satisfactory</i>	225,000	250,000	275,000	300,000	325,000	1,375,000
<i>Minimally Acceptable</i>	175,000	200,000	225,000	250,000	275,000	1,000,000

Measure 3: The total annual payroll at all AGC-financed companies in distressed communities.

Minimum Level: Annual Evaluation for the Year Ending:

	12/31/2001	12/31/2002	12/31/2003	12/31/2004	12/31/2005	Total
<i>Outstanding</i>	260,000	290,000	320,000	350,000	380,000	1,600,000
<i>Satisfactory</i>	90,000	120,000	150,000	180,000	210,000	750,000
<i>Minimally Acceptable</i>	60,000	90,000	120,000	150,000	180,000	600,000

Measure 4: Number of technical assistance engagements provided to businesses that operate in "distressed" communities. A "technical assistance engagement" is defined as a minimum of 8 hours of assistance provided by Alaska Growth Capital. These engagements will cover a broad range of topics, as defined by the needs of the business.

Minimum Level: Annual Evaluation for the Year Ending:

	12/31/2001	12/31/2002	12/31/2003	12/31/2004	12/31/2005	Total
<i>Outstanding</i>	10	11	11	11	11	54
<i>Satisfactory</i>	7	8	8	8	8	39
<i>Minimally Acceptable</i>	4	5	5	5	5	24